Press Release

A $42 Billion Regulatory Error

ANDREW EVANS | DECEMBER 7, 2018

This week, federal regulatory paperwork burden data contained a $42 billion reduction in estimated costs for one regulation, notes AAF's Senior Regulatory Policy Analyst Dan Goldbeck. The reason? A health care reporting requirement initially had an estimated cost of nearly $42 billion, but that was suddenly revised down to zero—highlighting the need for greater transparency in the regulatory process.

An excerpt:

> *This instance is problematic both on its face and as one digs into some of the supporting documentation. At $41,875,085,608, the original estimate exceeded the gross domestic product of Serbia. Now it is at zero. Here is the full rationale for the change: "Cost estimates aren't normally reported for OMB submission. Cost estimates were submitted in error on previous approval." How often do [information cost requirements, or ICRs] actually include a cost estimate? For perspective, as of last week, there were 9,370 active ICRs. Out of those, 7,117 reported a cost estimate of zero (roughly 76 percent).*

Read more here.